

CANADIAN WESTINGHOUSE COMPANY, LIMITED

SIXTEENTH ANNUAL REPORT

DECEMBER 31ST, 1919

DIRECTORS

H. H. WESTINGHOUSE, CHAIRMAN OF THE BOARD

PAUL J. MYLER, PRESIDENT

L. A. OSBORNE, VICE-PRESIDENT

F. A. MERRICK, VICE-PRESIDENT

T. AHEARN

SIR JOHN M. GIBSON, K. C. M. G.

JOHN F. MILLER

CHARLES A. TERRY

WARREN Y. SOPER

GENERAL GUY E. TRIPP

N. S. BRADEN, VICE-PRESIDENT

H. U. HART, GENERAL MANAGER AND CHIEF ENGINEER

H. M. BOSTWICK, MANAGER OF SALES

C. H. O. POOK, MANAGER OF WORKS

GEORGE R. KERR, TREASURER

W. E. SPRAGUE, SECRETARY

PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

SALES OFFICES

MONTREAL, QUE.

TORONTO, ONT.

WINNIPEG, MAN.

HALIFAX, N. S.

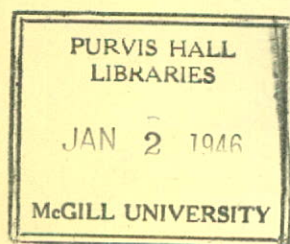
OTTAWA, ONT.

CALGARY, ALTA.

VANCOUVER, B. C.

FORT WILLIAM, ONT.

EDMONTON, ALTA.



CANADIAN WESTINGHOUSE COMPANY, LIMITED

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The Directors submit herewith the customary certified Balance Sheet of the Company at the close of the fiscal year ended December 31st; and a statement of the Profit and Loss Account, showing earnings for the year 1919 amounting to \$776,936.22, from which the sum of \$176,000.00 has been written off for general depreciation, leaving net profits of \$600,936.22.

During the year quarterly dividends at the rate of seven per cent. per annum and an extra dividend of one per cent. were paid, amounting to \$498,352.00, leaving a balance of \$102,584.22 carried forward to Profit and Loss, which account shows as of December 31st, 1919, a total surplus of \$1,814,272.59.

Business in the first year following the close of the World War has been marked by re-adjustments unavoidably associated with the sudden change in the underlying basis of all industrial endeavor. In place of imperative requirement for production of all agencies of destruction and their application to the point of contact between the huge contending armies—heedless of cost so long as time, quantity and effectiveness were served—the effort became one of seeking to re-establish production of the necessities and comforts of life and their distribution, both under the requirements and the limitations of the ordinary operations of commerce so long and so severely interrupted. For the first few months there was a feeling of hesitancy and a slackening of operations, but with a growing realization that shelves were bare of supplies the world over, expansion followed curtailment, so that before the end of the year manufacture was equalling and in many lines exceeding its pre-war activity.

Your Company, whose products are of the prime requisites of the industrial and transportation life of the community, reflected in its operations these changes in the general situation. With an average amount of business offering during the early months, the year closed with such an increasing volume of orders as to assure that the plants will be taxed to capacity for some time to come.

Shipments of products have corresponded closely in amount with those of the preceding year, while higher cost of materials and increased salaries and wages of employees, both universally prevalent, have operated to decrease somewhat the margin of profit.

Following out plans of some time standing, a study has been completed during the past year by which a Pension Fund is created by the Company effective January 2nd, 1920, in favor of those employees who have completed with a satisfactory record a certain period of employment with the Company. In addition a Mutual Benefit Association is concurrently inaugurated under which the employees may by appropriate contributions establish a protection for themselves against the disabilities of sickness and ill health. The entire cost of the Pension System and all administrative expenses of the Benefit System are borne by the Company.

The employees of all departments have throughout the year given loyal support to the interests of the Company, while the directing forces have exhibited their accustomed zeal and efficiency in solving the broad problems of operation.

The products of the Company including always a widening scope have embodied the best traditions of Westinghouse engineering and manufacturing skill.

In arriving at the figures for the year's operations proper inclusions have been made for costs of maintenance and replacements as well as ample estimates for depreciation and obsolescence of materials and equipment. Inventories of raw materials and manufactures have been verified by physical count and priced conservatively at the lower of either book or market prices.

By order of the Board,

H. H. WESTINGHOUSE,
Chairman.

ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1919

GENERAL BALANCE SHEET

ASSETS:—

CASH - - - - -	\$ 688,141.56	
DOMINION WAR LOAN BONDS, ETC. - - - - -	334,100.00	
ACCOUNTS AND BILLS RECEIVABLE (less Advance Payments)	1,142,001.72	
PROPERTY AND PLANT		
Hamilton, (includes Air Brake and Electric Properties, Real Estate, Office Buildings, Equipment, etc.) -	\$2,916,114.97	
Winnipeg, (includes Real Estate and Building for Offices and Warehouse)	54,000.00	
Patents, Rights and Licenses - - -	550,000.00	
	3,520,114.97	
Written off for Depreciation - - -	176,000.00	3,344,114.97
INVENTORY OF MATERIALS AND PRODUCTS ON HAND, DECEMBER 31st, 1919 - - - - -		4,214,968.83
INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE	14,398.72	<u>\$9,737,725.80</u>

LIABILITIES:—

CAPITAL STOCK		
Authorized - - - \$10,000,000.00		
Issued - - - - -	\$6,229,400.00	
CURRENT ACCOUNTS PAYABLE - - - - -	712,132.12	
DIVIDEND NO. 61, PAYABLE JANUARY 1ST, 1920 - - -	171,308.50	
CONTRACTS IN PROGRESS - - - - -	60,612.59	
RESERVE		
For Depreciation of Property and Plant	\$500,000.00	
For Inventory Adjustment - - -	100,000.00	
For Insurance Fund Purposes - - -	150,000.00	750,000.00
PROFIT AND LOSS ACCOUNT - - - - -	1,814,272.59	<u>\$9,737,725.80</u>

PROFIT AND LOSS ACCOUNT

INCOME AND EXPENDITURE

BALANCE BROUGHT FORWARD JANUARY 1ST, 1919 - - -	\$1,711,688.37
EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1919	
From Manufacturing Operations - - -	\$1,416,205.98
Administration, Selling and General Expenses, etc., including provision for Doubtful Accounts, Payment of Business Profits War Tax, Subscriptions to Patriotic and Red Cross Funds, etc. - - -	692,875.82
	723,330.16
From Interest on Dominion War Loan Bonds - - -	16,041.66
From Bank Interest and Miscellaneous Earnings - - -	37,564.40
	776,936.22
LESS :—Written off for Depreciation - - - - -	176,000.00
NET EARNINGS - - - - -	600,936.22
LESS DIVIDENDS, 1919 - - - - -	498,352.00
	102,584.22
BALANCE CARRIED FORWARD JANUARY 1ST, 1920 - - -	<u>\$1,814,272.59</u>

PAUL J. MYLER,
President

F. A. MERRICK,
Vice-President

AUDITOR'S CERTIFICATE

I have audited the books of the Company for the twelve months ended 31st December, 1919, and have been furnished with vouchers for all expenditures. I have obtained all information and explanations required by me, and in my opinion the Balance Sheet is properly drawn up so as to exhibit a correct view of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

Hamilton, Canada, February 26th, 1920

C. S. SCOTT, F.C.A.,
Auditor

